THE DEPUTY SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301-1000

JUL 2 1997

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
      CHAIRMAN, JOINT CHIEFS OF STAFF
      UNDER SECRETARIES OF DEFENSE
      DIRECTOR, DEFENSE RESEARCH AND ENGINEERING
      ASSISTANT SECRETARIES OF DEFENSE
      DIRECTOR, OPERATIONAL TEST AND EVALUATION
      DIRECTORS, DEFENSE AGENCIES

SUBJECT: Policy for the Transition to a Digital Environment for
   Acquisition Programs

  The Department has made substantial progress in the
acquisition, management, and use of digitized information. It is
now time to move forward to a fully digital environment in all
acquisition program and support offices. Industry has already
demonstrated that this is not only possible, but preferable to
traditional paper-driven systems. I am setting a corporate goal of
digital operations being the method of choice for all acquisition
management and life cycle support information. By the end of 2002,
the overwhelming majority of DoD acquisition and logistics
operations should be based on digital methodologies and products.

  The focus of this effort must be at the program office level.
Consistent with the architecture established by the joint DoD level
executive steering group, Program Managers shall be responsible for
establishing a data management system and appropriate digital
environment that allows every activity involved with the program
throughout its total life-cycle to exchange data digitally.

  I am counting on your support' for this critical initiative
that will enhance acquisition reform, further empower our
Integrated Product Teams, and combine with electronic commerce to
achieve greater efficiencies in the weapon system life cycle.

U11732 /97